Council of the European Union

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COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	2 June 2022
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	C(2022)3631
Subject:	COMMISSION IMPLEMENTING DECISION of 02.06.2022 on the request for registration of the European citizens' initiative entitled 'Good Clothes, Fair Pay', pursuant to Regulation (EU) 2019/788 of the European Parliament and of the Council

Delegations will find attached document C(2022)3631.

Encl.: C(2022)3631

EUROPEAN
COMMISSION

Brussels, 1.6.2022
C(2022) 3631 final

COMMISSION IMPLEMENTING DECISION

of 1.6.2022

on the request for registration of the European citizens' initiative entitled 'Good Clothes, Fair Pay', pursuant to Regulation (EU) 2019/788 of the European Parliament and of the Council

(Only the English text is authentic)

COMMISSION IMPLEMENTING DECISION

of 1.6.2022

on the request for registration of the European citizens' initiative entitled 'Good Clothes, Fair Pay', pursuant to Regulation (EU) 2019/788 of the European Parliament and of the Council

(Only the English text is authentic)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2019/788 of the European Parliament and of the Council of 17 April 2019 on the European citizens' initiative[1] and in particular Article 6(2) and (3) thereof,

Whereas:

(1) A request for registration of a European citizens' initiative entitled 'Good Clothes, Fair Pay' was submitted to the Commission on 4 April 2022.

(2) The objective of the initiative as expressed by the organisers is to invite the Commission to propose legislation requiring undertakings active in the garment and footwear sector to conduct due diligence in respect of living wages in their supply chain achieving the following objectives: (a) complement and build on the 'EU's Sustainable Corporate Governance framework', and the 'EU Adequate Minimum Wage Directive'; (b) require undertakings to identify, prevent and mitigate adverse impacts on the human right to a living wage and freedom of association and collective bargaining rights; (c) reduce poverty in the Union and worldwide, paying particular attention to the circumstances of women, migrants and workers with precarious contracts and the need to combat child labour; (d) prohibit unfair trading practices which cause, or contribute to, actual and potential harms to workers in the garment and footwear sector and promote fair purchasing practices; (e) provide a right to information for consumers regarding undertakings in the garment and footwear sector; (f) improve transparency and accountability of undertakings in the garment and footwear sector.

(3) An annex to the initiative provides further details on the subject matter, objectives and background. The organisers claim that the statutory minimum wage in many Member States only accounts for a small percentage of a living wage and that in major

[1] OJ L 130, 17.5.2019, p. 55.

garment-producing countries outside the Union, the statutory minimum wage is on average, less than 50% of what is needed to finance a basic decent life. In this respect, they refer to the Universal Declaration of Human Rights and Article 7 of the International Covenant on Economic, Social and Cultural Rights, which include the right to remuneration that provides workers and their families with, at a minimum, a decent living. The organisers state that addressing living wages in the garment and footwear sector would thus contribute to achieving the goals of the 2030 Agenda for Sustainable Development[2], namely the eradication of poverty, gender equality, decent work and sustainable production and consumption. The organisers also emphasise that addressing low wages would tackle one of the key drivers of child labour, in line with the Commission's commitment towards the elimination of child labour, which according to the Commission needs to be kept at the forefront of all relevant policy areas. The undertakings concerned should be required to track and communicate the progress of the mitigating measures taken within their due diligence process. The organisers state that the Commission may recommend appropriate and legitimate methodologies for the determination of living wages, which then may be taken into account for wage negotiations in the sector. The organisers also call for legislation to tackle unfair trading practices in this sector, building on Directive (EU) 2019/633 of the European Parliament and of the Council[3].

(4) Finally, in the annex, the organisers call for improved transparency in the sector with an obligation for undertakings to publish certain production information from their supply chains and a right to information for consumers regarding actual and potential adverse impacts related to wages and precarious contracting arrangements. The organisers have provided a draft proposal for a Directive covering a number of elements to meet those objectives in support of their initiative.

(5) As regards the objectives of the initiative, the Commission has the power to present a proposal for a legal act requiring undertakings active in the garment and footwear sector to conduct due diligence in respect of living wages in their supply chain on the basis of Articles 50 and 114 of the Treaty.

(6) For this reason, none of the parts of the initiative manifestly falls outside the framework of the Commission's powers to submit a proposal for a legal act of the Union for the purpose of implementing the Treaties.

(7) That conclusion is without prejudice to the assessment of whether the concrete factual and substantive conditions required for the Commission to act, including compliance with the principles of proportionality and subsidiarity and compatibility with fundamental rights, would be met in this case.

(8) The group of organisers has provided appropriate evidence that it fulfils the requirements laid down in Article 5(1) and (2) of Regulation (EU) 2019/788 and has designated the contact persons in accordance with Article 5(3), first subparagraph, of that Regulation.

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[2] United Nations General Assembly Resolution 70/1, *Transforming our world: the 2030 Agenda for Sustainable Development*, A/RES/70/1 (25 September 2015).

[3] Directive (EU) 2019/633 of the European Parliament and of the Council of 17 April 2019 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain (OJ L 111, 25.4.2019, p. 59).

(9) The initiative is not manifestly abusive, frivolous or vexatious, nor is it manifestly contrary to the values of the Union as set out in Article 2 of the Treaty on European Union and rights enshrined in the Charter of Fundamental Rights of the European Union.

(10) The initiative entitled 'Good Clothes, Fair Pay' should therefore be registered.

(11) The conclusion that the conditions for registration under Article 6(3) of Regulation (EU) 2019/788 are fulfilled does not imply that the Commission in any way confirms the factual correctness of the content of the initiative, which is the sole responsibility of the group of organisers of the initiative. The content of the initiative only expresses the views of the group of organisers, and can in no way be taken to reflect the views of the Commission,

HAS ADOPTED THIS DECISION:

Article 1

The European citizens' initiative entitled 'Good Clothes, Fair Pay' shall be registered.

Article 2

This Decision is addressed to the group of organisers of the citizens' initiative entitled 'Good Clothes, Fair Pay', represented by Ms Maeve GALVIN and Ms Kirsten KOSSEN acting as contact persons.

Done at Brussels, 1.6.2022

For the Commission
Věra JOUROVÁ
Vice-President

CERTIFIED COPY
For the Secretary-General

Martine DEPREZ
Director
Decision-making & Collegiality
EUROPEAN COMMISSION